

STATE OF SOUTH CAROLINA

(Caption of Case)

IN RE:

Application of Goat Island Water & Sewer Co., Inc.
for an Increase in its Rates and Charges for the
provision of Water and Sewer Services and Approval
of Management Agreement

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2008 - 142 - W/S

(Please type or print)

Submitted by: Richard L. WhittSC Bar Number: 62895Address: Austin & Rogers, P.A.Telephone: 803-251-7442508 Hampton Street, Suite 300Fax: 803-252-3679Columbia, South Carolina 29201Other: 803-256-4000Email: rlwhitt@alrlaw.com

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☒ Other: Routine

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit of Publication	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input checked="" type="checkbox"/> Certification of Service	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input checked="" type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input checked="" type="checkbox"/> Prefiled Rebuttal Testimony of Timothy P. Oliver	<input type="checkbox"/> Subpoena
<input checked="" type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

**REBUTTAL TESTIMONY OF
TIMOTHY P. OLIVER
GOAT ISLAND WATER & SEWER**

SEPTEMBER 10, 2008

PSCSC Docket No. 2008-142-W/S

**Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND POSITION
WITH GOAT ISLAND WATER & SEWER CO., INC, ("GOAT ISLAND" OR
"COMPANY").**

A. My name is Timothy Oliver and my business address is 2039 Lake Marion
Shores Road, Summerton, South Carolina. I am the Owner, Operator and
President of Goat Island.

**Q. WHAT IS YOUR EDUCATIONAL BACKGROUND AND WORK EXPERIENCE
WITH GOAT ISLAND?**

A. I received my Associate's Degree from North Carolina State University in 1980.
I am an Irrigation Contractor, licensed by the National Irrigation Association. I
am a former board member of the Carolina's Irrigation Association. I have
operated Professional Irrigation Co. since 1986. My work with Professional
Irrigation primarily consists of commercial and "large turf" area jobs, such as,
middle school, high school and college sport's fields. This Commission
approved my ownership of Goat Island Water and Sewer Company,
Incorporated, in 2006. Subsequently, in 2007, this Commission approved my
Ownership of Sigfield Water Company, Incorporated. Finally, later in 2007, this
Commission approved a consolidation of six systems under the rubric of Goat
Island Water & Sewer Co., Inc. Since the age of 15, I have worked in the family
business of providing water through a community water system. I worked with,
and assisted my father, on an almost weekly basis in assisting with the
operation on his water system. Specifically, I became skilled in water
operations and water system maintenance, including, water pumps and the
repair of the same.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. The purpose of my testimony is to rebut the Direct Testimony of ORS
witnesses, Ms. Sharon G. Scott and Mr. Willie J. Morgan, filed on behalf of the
South Carolina Office of Regulatory Staff.

Q. WAS ANY OTHER DIRECT TESTIMONY FILED IN OPPOSITION TO THE APPLICATION FILED IN THIS DOCKET?

A. No. None of Goat Island's customers opposed the relief sought in this Docket by way of intervention or protestation.

Q. HAVE YOU READ AND REVIEWED THE TESTIMONY OF MS. SCOTT AND MR. MORGAN? IF SO, WHAT IS YOUR OPINION OF THEIR TESTIMONIES?

A. Yes. The Testimonies of Ms. Scott and Mr. Morgan do not adequately take into consideration the requirements and difficulties of running a small business operation like Goat Island. We do not have the funds to support a large staff to maintain our financials in a fashion as detailed as a large corporation.

Q. CAN YOU ELABORATE ON YOUR PREVIOUS ANSWER?

A. It is very difficult for a small business like ours to maintain comprehensive and detailed records of every expenditure incurred throughout the fiscal year. Therefore, we have incurred business related expenses that we cannot document and receive credit for as legitimate costs. We operate our company as efficiently as possible and endeavor to keep expenses low.

Q. SPECIFICALLY, DID YOU HAVE DIFFICULTIES WITH YOUR PRIOR FINANCIAL RECORDS? IF SO, PLEASE ELABORATE.

A. Yes. Our past financial records were not maintained, until recently, in a matter that lent itself to an audit by the South Carolina Office of Regulatory Staff. We were disadvantaged by the fact that this is our company's first rate case and we did not know how to adequately prepare for the same. Also, we were forced to "change" our accountant in the middle of this Rate Case and that change impeded our ability to provide complete data to the Office of Regulatory Staff.

Q. WHAT CONCLUSION WOULD YOU LIKE THIS COMMISSION TO DRAW FROM YOUR STATEMENTS, IF ANY?

A. We would like this Commission to take into account events that were beyond our control and experience.

Q. DO YOU HAVE ANY CONCERNS ABOUT THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF'S PROPOSED ADJUSTMENTS? IF SO, PLEASE ELABORATE.

1 **A.** Yes. They propose to allow recovery of our Rate Case expenses for Goat
2 Island's accounting and legal professionals over a five year time frame. We
3 have incurred and will have to pay those expenses immediately and should be
4 able to recover them in a much shorter time frame.

5 **Q. DO YOU HAVE ANY FURTHER CONCERNS ABOUT THE SOUTH**
6 **CAROLINA OFFICE OF REGULATORY STAFF'S PROPOSED**
7 **ADJUSTMENTS? IF SO, PLEASE ELABORATE.**

8 **A.** Yes. ORS did not allow for any expected increase in the cost of gasoline for
9 our business. The time frame from the end of the test year to the present is
10 ample proof that gasoline expenses have and are continuing to rise.
11 Specifically, our costs for, "gasoline" is actually for diesel fuel, which has
12 experienced an even more dramatic increase in costs.

13 **Q. DOES THAT CONCLUDE YOUR REBUTTAL TESTIMONY?**

14 **A.** Yes.

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DOCKET NO. 2008- 142-WS

IN RE: Application of Goat Island Water &)	
Sewer Co., Inc. for an Increase)	
in its Rates and Charges for the)	Certificate of Service
Provision of Water and Sewer Services)	
and Approval of Management Agreement)	

I, Jennifer Stevenson, an employee of Austin & Rogers, P.A., certify that I placed a copy of the Rebuttal Testimony of Timothy P. Oliver, in the United States Mails, as addressed below, with proper postage affixed thereto on the date below.

Jeffrey M. Nelson, Esquire
South Carolina Office of Regulatory Staff
1441 Main Street
Suite 300
Columbia, South Carolina 29201

/S/

Jennifer Stevenson

Columbia, South Carolina
September 10, 2008